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December 29, 2004

Hon. William H. Donaldson
Chairman
Securities and Exchange Commission
450 Fifth Street., N.W.
Washington, D.C. 20549

Dear Chairman Donaldson:

The AFSCME Employees Pension Plan, the New York State Common Retirement Fund, the Illinois State Board of Investment and the California Public Employees' Retirement System, (collectively, the "Sponsors") request that the Securities and Exchange Commission ("Commission") reconsider the position of the staff of the Division of Corporation Finance ("Staff") set forth in its December 28, 2004 letter ("Position") to the Walt Disney Company ("Company") and affirm Staff's decision in its December 8, 2004 letter to the Company. (Copies of these letters are attached as Exhibits A and B, respectively.) In the event that the Commission declines to review Staff's Position, we request that the Commission direct Staff to explain its Position so that shareholders and public companies have clear guidance on the viability of open access shareholder proposals and properly draft any such proposals.

The Commission directly authorized the open access proposal filed at the Company in its proposed Rule 14a-11 ("Proposed Rule"). As explained in the Sponsors' responses to the Company's original request for no-action and to the Company's request for reconsideration by the Commission, the Commission's interpretation of rule 14a-8(i)(8) was modified by the Proposed Rule and authorizes the proposal filed at the Company. (Copies of Sponsors' letters of December 23, 2004 and November 4, 2004 are attached as Exhibits C and D, respectively.) Our view was originally supported by Staff as set forth in its December 8 letter to the Company. Staff subsequently changed their decision even though no new information or legal arguments were presented by the Company. Staff's only explanation for the change is as follows: that "The Division has reconsidered its position, and there appears to be some basis for your view that Disney may exclude the proposal under rule 14a-8(i)(8)." Staff's limited disclosure in its most recent decision makes it even more pressing that the Commission reconsider Staff's action and provide clarity to the public on this very important policy issue.

Undoubtedly, shareholders have either filed, or plan to file, additional shareholder proposals addressing open access. Staff's Position highlights the current uncertainty over this issue. The Commission should review Staff's Position and provide clear guidance on open access proposals so that shareholders and public companies can avoid costly and lengthy appeals to the Staff and the Commission regarding additional open access proposals. We urge the

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Commission to act immediately to resolve the issues raised by Sponsors' shareholder proposal and to move expeditiously to finalize the Commission's Proposed Rule. We volunteer our services to help resolve any of these issues expeditiously for the benefit of all stakeholders.

Thank you for your consideration of these issues.

If you have any questions, please contact Peter Mixon, General Counsel at CalPERS, at (916) 795-3675 or Richard Ferlauto, AFSCME Employees' Pension Plan, at (703) 407-0693.

Very Truly Yours,

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